Ohio Rail Development Commission

50 West Broad Street, Suite 1510, Columbus, Ohio 43215
614-644-0306 (telephone) • 614-728-4520 (fax) • www.dot.state.oh.us/ohiorail

May 6, 2010

Dear Commissioners:

Enclosed please find relevant information to the **Thursday, May 13, 2010** commission meeting. Minutes of the March 11, 2010 commission meeting are enclosed for your review.

This meeting will be held at the **Ohio Department of Transportation's Headquarters, 1980 West Broad Street, Columbus, Ohio, Auditorium, Lower Level**. Standing Committees of the Commission will meet at 10:00 a.m. (Room locations for committees will be posted at the auditorium.) The ORDC Commission meeting will begin promptly at 11:00 a.m.

Eastbound I-70 will be CLOSED to traffic at I-670 for bridge work. This closure will be in place starting Thursday, May 13 at 9 a.m. Motorists will be detoured to eastbound I-670 to southbound I-71 to I-70. Eastbound I-70 will be OPEN to traffic by 5 a.m. Monday, May 17. Harper Road will be closed to traffic in both directions under I-70 starting at 10 a.m. Wednesday, May 12 and will reopen by 6 a.m. Monday, May 17. Traffic on Harper Road will be detoured to Valleyview Drive to Hague Avenue to Harrison Road to McKinley Avenue and vice versa. (ODOT)

If you haven't already done so, please contact Suzy Pettet to confirm your attendance. You may reach her at 614/728-9497 (telephone) or by e-mail at suzanne.pettet@dot.state.oh.us

We look forward to seeing you.

Sincerely,

James G. Bradley
Chairman

Enclosures

Ohio Rail Development Commission

1980 West Broad Street, Columbus, Ohio 43223
614-644-0306 (telephone) 614-728-4520 (fax) • www.dot.state.oh.us/divisions/rail

MEETING NOTICE

The next meeting of
The Ohio Rail Development Commission
will be held

Thursday, May 13, 2010

at the
Ohio Department of Transportation
1980 West Broad Street, Lower Level
Auditorium
Columbus, Ohio
11:00 a.m.

Standing Committees of the Commission will meet at the same location at 10:00 a.m. on Thursday, May 13, 2010.

The ORDC Commission meeting will begin promptly at **11:00 a.m. at the Ohio Department of Transportation's Lower Level Auditorium.** You will find the preliminary agenda posted on the ORDC website at www.dot.state.oh.us/divisions/rail prior to the meeting. If you would like a copy faxed to you, please call the ORDC office at (614) 644-0307.

Should you have any questions please contact Suzy Pettet at (614) 728-9497.

For media inquiries please contact Stu Nicholson at (614) 644-0513.

THE OHIO RAIL DEVELOPMENT COMMISSION

MEETING AGENDA

Thursday, May 13, 2010, 11:00 a.m.

Ohio Department of Transportation Headquarters

1980 West Broad Street, Auditorium, Lower Level, Columbus, Ohio

CALL TO ORDER: James G. Bradley, Chairman

- Welcome
- Roll Call
- Approval of Minutes from March Meeting

EXECUTIVE DIRECTOR REPORT: Matt Dietrich

FINANCE REPORT: Megan McClory

ITEMS FOR APPROVAL

- Resolution 10-03: RJ Corman Cleveland Line Rehabilitation, Phase II
- Resolution 10-04: Request for Approval to Administer OKI CMAQ Grant for CIND Purchase of Repowered Locomotives
- Resolution 10-05: Marne Bridge Replacement

APPROVED PROJECT BRIEFING

- Midwest Regional Rail Initiative, Phase VII

REPORTS OF COMMITTEES

- Panhandle Long Term Lease
- Contract & Property Advisory
- Human Resources
- Long-Term Strategy/Economic Development
    - Resolution 10-06: Adoption of the State Rail Plan

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

ADJOURN

MINUTES OF THE OHIO RAIL DEVELOPMENT COMMISSION
REGULAR BI-MONTHLY MEETING
March 11, 2010

CALL TO ORDER

The meeting of the Ohio Rail Development Commission was called to order by Chairman James Bradley at 10:07 a.m. on Thursday, March 11, 2010.

MEMBERS PRESENT

Members present included: Chairman James Bradley, Commissioners Tom McOwen, Solomon Jackson, Rob Greenlese, Bill Lozier, Mandy Kisling Bishop, Larry Sowers, Barbara Hammontree-Bennett, William Murdock, Herk Wolfe, and Josh Williams for Senator Jason Wilson, and Kimberly Wheeler for Senator Steve Buehrer. There were ten voting members present therefore a quorum was obtained.

APPROVAL OF THE MINUTES OF THE JANUARY MEETING

Chairman Bradley asked for a motion to approve the minutes of the January 14, 2010 meeting. Commissioner Lozier moved to approve the minutes and Commissioner Sowers seconded the motion. Roll call was taken. The minutes were approved as presented with ten votes in the affirmative.

EXECUTIVE DIRECTOR'S REPORT

Director Dietrich presented the Executive Director's Report on page 10 of the meeting packet. The ARRA projects are listed on page 13 of the meeting packet. They have all been authorized by the FHWA. Thanks to ODOT and their willingness to be multi-modal, we were able to provide a lot of funding to take care of some long-term rail needs around the State.

The ORDC sponsored two Tiger Grant Applications. One was for US RailCar locating a facility in central Ohio. The second one was being the lead state for the CSX National Gateway. The CSX National Gateway received $98 million of the $258 million requested. Ohio received $30 million; West Virginia received $33 million; and Pennsylvania received $35 million. There is a $20 million segment in Maryland that was not awarded. It is not clear right now as to what the roles are going to be of the individual states. FRA is the lead agency on this project and we are working with them, USDOT, and the other states on the corridor.

Ohio was successful with its 3C Quick Start Passenger Rail Application. Ohio received $400 million of the $564 million requested. Staff is continuing to work on the RTC modeling for capacity improvements with Woodside Consulting and the host railroads. We brought the freight RRs in early and often asking them of their concerns as we advanced this. We had MOUs from all three of the freight RRs that we would utilize their lines. Director Dietrich thanked the RRs for all their support.

In the application, we identified that Ohio would competitively select an operator for the service. Currently, staff is working with both ORDC and ODOT legal counsel to develop that process.

A team, led by Jennifer Gallagher of ODOT, has been established including ODOT Central Office and District staff, Department of Development and ORDC to work with the local communities on the station development for the eight stations identified in the application.

Commissioner McOwen is leading the charge on the equipment selection with Leonard Evans of

ODOT and Don Damron of ORDC. They are focusing on bi-level DMUs per the Commission's recommendation.

Since EWI's presentation in January, they have been working with us, ODOT and ODOD on how to take their concept and make it into a reality. There are huge opportunities for our existing and potential suppliers. Susan Arduini, Researcher at the Commission, put together a list of 133 current rail suppliers with Ohio employment of over 21,000.

Director Dietrich had the opportunity to speak before a panel hosted by Congresswoman Kilroy. His testimony is on pages 15, 16, and 17 of the commission packet. The panel wanted to know what we think is needed at the federal level. Director Dietrich's response was standardization of National Environmental Protection Act policies across modal agencies; flexibility to be able to respond to needs; an ongoing source of funding for passenger rail; and funding sources for short line and regional RRs.

Commissioner Greenlese asked Director Dietrich if we are going to hear from Wilbur Smith any time soon about their progress on the Ohio Rail Plan. Director Dietrich said we will probably not hear from Wilbur Smith, but we will be crafting the document for presentation in May. Commissioner Bennett said the first step is a fact finding mission putting together a document that identifies our assets and overall general needs and includes stakeholder input. The second step is visioning. It will set priorities and goals for staff. The stakeholder input will be used as an appendix to the initial plan and then the Commission can take it into consideration in the second phase of the planning process.

David Tibbs with Vertical Horizons One asked what our standardization is on the issue of positive train control. He said Amtrak currently runs on an incremental train code system. On April 14th, FRA has a report due on how industries will implement their standardization towards positive train control. All four of the Class 1s are all working on different communication systems. Mr. Tibbs asked what Ohio's position is going to be on positive train control or standardization on GSMR. Director Dietrich said there are industry standards coming out at the Federal level. Ohio will work with the freight RRs to ensure that the necessary systems are implemented.

FINANCE REPORT

Megan McClory, ORDC's Secretary-Treasurer, presented the Finance Report to the Commissioners, which can be found on page 26 of the commission packet. Ms. McClory said that all loan recipients are current on their repayments and in good standing.

We are continuing to uncover new questions and research answers for the ARRA Projects. There are a couple substantial projects that bids are due in tomorrow.

We are close to conducting initial interviews on the Planner 3 position. We have also requested that Tom Burns' intermittent appointment be extended so we can continue to use his assistance on some very high profile and critical activities. He has been helping with the ARRA project implementation, the 3C development and the crossbuck assembly and pre-emption safety programs.

Commissioner Lozier has been helping in coordinating a meeting next Wednesday regarding the

Marne Bridge. We are hoping to make some decisions so we can move forward.

We have been working on getting the grants that have been approved encumbered so we can move forward. We re-closed the Maumee & Western Hot Start Loan. Ohio Basic Minerals didn't need our loan after they received additional grant assistance from the PUCO. Our budget for FY12 & FY13 will be due to the State Budget Office in the fall.

Director Dietrich said that he and Lou Jannazo attended the SCORT Conference in Washington DC. Mr. Jannazo drafted a detailed summary of the information along with the Director's notes. We will send the summary out to the Commissioners.

APPROVED PROJECT BRIEFING: ISLAND ASEPTICS RAIL SPUR

Lou Jannazo presented the briefing found on page 31 of the commission packet. Mr. Jannazo said this is a very good example of a project that fits into a couple of our priorities. They are concentrating their production in Ohio because of the location of the RR. The Grant is for $72,415. The project will create 100 new jobs and will retain 68 jobs. There will be 75/100 new carloads a year. The Island Aseptics plant has been a drink and food packaging and production facility.

Chair Bradley asked Tony Battaglia, CEO of Island Aseptics to explain what his company does. Mr. Battaglia said that aseptics is a closed loop process by which drink and food products are pasteurized and packaged in sterilized containers. This allows products to be shipped and stored without being refrigerated. Children's juice boxes are a good example of aseptic packaging. They want to make Byesville the heart and soul of their company. The rail spur is extremely important. It would bring in a lot of packaging ingredients to the facility. They would be better able to serve the entire country. The rail spur is very critical. It is the first step in a huge expansion.

Commissioner Sowers asked how the project contractor was selected and what would happen if the contractor was not current in its workers' compensation coverage. Mr. Battaglia indicated that contractors were invited to bid on the work. He would need to check with others from Island Aseptics regarding the workers' compensation question.

Commissioner Greenlese asked if the 100 new jobs is an accurate number. Mr. Battaglia said he feels it is a conservative number. Commissioner Greenlese asked why the big spread of 75-400 new carloads. Mr. Battaglia said that 75 new carloads is based on existing contracts and as they continue to expand they hope to increase to 400 carloads. Chair Bradley asked what criteria were used to expand Ohio's location. Mr. Battaglia said that the skilled workforce was a major factor. From a transportation standpoint, it is a very nice place to ship from and that they have good freight rates.

Commissioner Lozier asked whether this work would result in a need for mainline rehabilitation work. Mr. Jannazo stated he would expect to see a future request for the line. Commissioner Jackson stated that this is a great project and a tremendous value for $72,000.

REPORTS OF COMMITTEES

Committee on Committees – Chairman Bradley

We have talked a lot to the staff and we have input from all the commissioners, and the recommendations are as follows:

1. Maintain the Human Resources and Economic Development/Long Term Strategy Committees as Standing Committees of the Commission
2. Create the Contract and Property Advisory Committee (Big Deal Committee)
3. Eliminate the following Standing Committees: Legislative, Budget and Finance
4. Maintain the Ad Hoc Panhandle Long Term Lease Advisory Committee
5. Eliminate the Ad Hoc Liability Committee

Each commissioner would serve on only one Standing Committee. We need to organize as effectively as we can. At the Spring Retreat, we can spend time developing committees relative to their charges.

Commissioner Sowers asked Chairman Bradley to clarify what would fall under the Contract and Property Advisory Committee. Chairman Bradley said something like the equipment selection for the passenger rail would fall under this committee. The Panhandle would continue to act as an Ad Hoc under this committee. Additional ad hoc committees can be formed as issues arise. Commissioner Sowers asked that when looking at companies and funding criteria, ORDC make sure that companies are compliant with workers' compensation, unemployment compensation, and taxes. Director Dietrich indicated that we do have procedures in place such as clawbacks and verifications with Ohio EPA and Department of Taxation relative to the entities with whom we contract.

Chairman Bradley made a motion to approve the Standing Committee Structure to Maintain the Human Resources and Economic Development/Long Term Strategy Committees as Standing Committees of the Commission; Create the Contract and Property Advisory Committee (Big Deal Committee); Eliminate the following Standing Committees: Legislative and Budget and Finance Committees; Maintain the Ad Hoc Panhandle Long Term Lease Advisory Committee and Eliminate the Ad Hoc Liability Committee. Commissioner Murdock seconded the motion. Roll call was taken with ten votes in the affirmative.

Chairman Bradley asked Commissioner McOwen to be the Chairman of the Contract and Property Advisory Committee; he asked Commissioner Jackson to continue being the Chairman of the Human Resources Committee; and he asked Commissioner Bennett to continue being the Chairperson for the Economic Development/Long Term Strategy Committee.

Chairman Bradley asked Commissioners to indicate the committee on which they would like to serve and stated that charters for each will be discussed at the Spring Retreat.

PANHANDLE LONG-TERM LEASE COMMITTEE REPORT

Director Dietrich reported that the committee has not met for a while. He and Commissioner McOwen did meet with the new owners and brought them up to speed. The Director anticipates getting a draft of an agreement soon and after that the committee can reconvene. Commissioner Lozier asked Director Dietrich whether the appraisal had been completed. Director Dietrich said it has but we need to recheck it because it represented a point-in-time. Commissioner Lozier asked about the most significant factor in the lease. Director Dietrich said it is determining the value of the property and considering our fiduciary responsibility. We don't want to write a

lease that drives up rates and hurts the shippers that the state tried to help by saving the line.

Chairman Bradley asked Commissioner McOwen what the status is of the equipment for the 3C project. Commissioner McOwen said that the bi-level DMU is our preferred vehicle for the 3C. They are continuing to work on the project with US Railcar as a potential manufacturer of the equipment. They will be discussing items such as clearance, ride quality, etc. They are having a technical meeting this afternoon to go into more detail. The committee is working on a report that will be available shortly.

Human Resources – Chairman Jackson
Commissioner Sowers requested to be assigned to the HR Committee.

Chairman Jackson feels the Committee on Committees was a good snapshot. We don't want to lose sight of our mission or our people.

Chairman Jackson asked what the status was of the Rail Inspector position. Director Dietrich said he met with the Human Resources Director and the Chief of Staff at ODOT. We are allocated a certain number of positions. We are at our lock down number as a staff. This will require us to acquire an open position from an ODOT division. We are trying to get back positions that were swept when we had vacancies, and to make sure that we don't lose ground with our existing staffing level.

Chairman Bradley noted that the Mission for the Committee can be found on page 42 in the commission packet.

Economic Development and Strategic Planning Committee – Commissioner Bennett
Commissioner Bennett said that we should have a draft of the Benefits Calculator soon but that it has not been reviewed. It will help us look at different types of projects and quantify the benefits and the merits of giving the loans and grants. Staff will need to decide how user friendly it is.

The last Stakeholder meeting will be Thursday, March 18. Commissioner Bennett has appreciated the commissioners' participation. The Spring Retreat will be a good time to start on the next phase of the plan to move beyond the plan required to be eligible for future federal funding.

Michael Connor said he has looked at the draft and he was shocked when he saw it. It has a lot of errors; it has lines misidentified; there are names of railroads that are out of business; etc. He submitted basic editing to Mr. Jannazo. He is wondering if the state has the right consultant. He feels what we have is a real problem. He feels it could be a real tool but needs a lot of work.

Commissioner Bennett said the FRA put out certain checklists and punchlists meeting minimum requirements. Director Dietrich said we are following very strictly what FRA requires and that we appreciate the comments and input to the draft that is available for review. Commissioner Jackson said we want a document that we all can be proud of. He asked what the deadlines are. Commissioner Bennett said this is a fact finding document. She said the deadline was eliminated for federal submittal but that we want to get our report in this spring. The first step is examining assets and problems in our rail system. The second step is where we set our priorities of where we want to go. Commissioner Wolfe said that the initial study got us the result we wanted and

now we can refine it. Commissioner Bishop asked that if anyone had any comments or suggestions to please go through Director Dietrich. Commissioner Lozier asked if we are committed to coming up with a long range planning document for freight and passenger rail as part of this contract or do we know that yet. He said we are committed to moving forward but exactly what we are going to move forward with and the timing of it is up to the commission. Commissioner Bennett stated that we do have funding to move forward.

OLD BUSINESS
There was no old business to come before the Commission.

NEW BUSINESS
2010 Rehabilitation Program
Lou Jannazo explained what information is in the letters that are sent out to the railroads to solicit rehabilitation projects. A copy of the letter is found on page 43 in the commission packet. A copy of the Project Evaluation Summary is found on page 46 in the commission packet. This would be sent out with the letter and without the information that is on this sample. Page 48 of the packet identifies the information ORDC asks railroads to provide for consideration of Rail Line Rehabilitation Program Funding. The bottom part of that page provides the factors ORDC considers before making a funding commitment. The Rail Spur Program Funding criteria are found on page 49 in the commission packet. The top part of the page provides the information ORDC asks companies to provide for consideration of economic development/rail spur program funding and the bottom part provides the factors ORDC considers before making a funding commitment.

Commissioner Greenlese asked what our policing mechanism is. Mr. Jannazo said we have a jobs and carloads report in which we send out letters requesting information and then we review the report to determine whether action is needed. Commissioner Greenlese asked if we have an audit procedure. Director Dietrich said that everything is detailed in our agreements. Mr. Klodell will send out collection letters if needed. ORDC has filed suit in the past against companies that are non-responsive to our recovery efforts.

Mr. Tibbs asked who will own the passenger rail equipment and whether the state's efforts have been coordinated with Amtrak. Commissioner McOwen stated that the state will own the equipment, and that no operator has been selected yet.

Crossbuck Assembly Program
Tom Burns gave a Power Point presentation that is on page 50 of the commission packet. About 20 years ago, the precursor to ORDC partnered with Ohio railroads on the experimental "Buckeye Crossbuck" project. The crossbuck changed a few significant aspects of the traditional crossbuck: the delineation of the sign post, the yield panel, and the relocation of the assembly. The delineation of the sign post was found effective. The yield sign was found marginally effective. The relocation of the sign was not deemed beneficial. The ORDC is obligated to restore crossbucks at all public, passive rail-highway grade crossing to current MUTCD standards. CSX and NS, along with many of the shortline railroads, have expressed an interest in partnering with ORDC to fold in the reflective strip and stop/yield element of the new assembly to ORDC's required restoration efforts.

Mr. Tibbs asked whether Bombardier equipment had been considered for passenger service.

Commissioner McOwen offered to talk to Mr. Tibbs at the conclusion of the meeting.

Commissioner Lozier asked whether existing crossbucks have useful life remaining. Mr. Burns stated that some do, but with the changes in retroreflectivity requirements, it makes sense to do a wholesale replacement at one time.

Commissioner Bennett asked about the obligation of ORDC to restore the crossbucks to current MUTCD standards. Director Dietrich stated that was part of the initial agreement with FHWA. The retroreflectivity standards are more easily monitored because the new standard allows the date of installation to be the basis for monitoring, rather than needing to do field inspections.

Rusty Orben of CSX stated that CSX is trying to address a problem by partnering with states and that they have agreements to a 50-50 cost share with four other states. By partnering in this way, the crossbuck upgrades are completed sooner rather than later. Art Arnold of the Ohio Railroad Association stated that the Buckeye Crossbuck program was a national effort and that the parties expected a safety breakthrough but the numbers didn't support that. There was some improvement in safety but not significant. He believes that this program improves the schedule in that the improvements are made in Ohio ahead of the required deadlines.

Director Dietrich said that the Spring Retreat will be on April 15 at Highbanks Metro Park. It will begin at 9:00 a.m. A few of the agenda items are the committees' structure and the next step of the Rail Plan. Commissioners Jackson and Sowers have been working on the comprehensive Communication Plan. Director Dietrich needs to know if there are other items that need added to the agenda.

PUBLIC COMMENT

Mr. Tibbs asked if US RailCar is the default selection. Commissioner McOwen said that it is the preferred selection. Mr. Tibbs asked if there were any reports available from the equipment team, and Commissioner McOwen indicated that one is forthcoming.

Art Arnold said there was a point raised for consideration at the State Rail Plan Meeting that was held with railroad stakeholders. The Ohio Plan has the same requirements from the federal government as other states to issue a rail plan. The current plan has no recommendations; no direction; etc. He has some concerns. He encourages the commission to think about the rail plan. He thinks Ohio should step up now and make recommendations, not later.

ADJOURNMENT

Chairman Bradley called the meeting of the Ohio Rail Development Commission adjourned at 12:31 p.m.

TO: ORDC Commissioners

FROM: Matthew Dietrich

SUBJECT: May 2010 Executive Director's Report

This document reflects the accomplishments and highlights of the Ohio Rail Development Commission since the March Commission Meeting.

1. CSX National Gateway TIGER Grant Update: As you are aware, the CSX National Gateway received $98 million of the $258 million request from the Transportation Investment Generating Economic Recovery (TIGER) competitive grant funds for capital investments in surface transportation infrastructure projects for the North Baltimore, Ohio to Chambersburg, Pennsylvania segment. Attachment A is the letter sent to the Federal Railroad Administration outlining the funding sources identified to complete this segment of the corridor. By May 17th, Ohio as the lead state must provide the project elements in Attachment B. Ohio is working directly with CSX on this document currently. In addition, the Commonwealth of Pennsylvania has agreed to take the lead role for the environmental requirements of the project. I cannot speak highly enough of the professionalism and sense of team that has developed among me and my colleagues in the other states as well as CSX with this project. I must say at this point the biggest impediments have been the institutional barriers associated with advancing a multimodal project through a system that is not really set up to handle such complex and geographically diverse projects.

2. Preliminary National Rail Plan comments. Because of ORDC's experiences with such projects as the NS Heartland Corridor, the CSX National Gateway TIGER grant, the 3C Passenger Rail grant, the administration of the rail-oriented ARRA projects in Ohio and our long established freight assistance and safety programs, I believe our experiences provide us a unique perspective to comment on the Preliminary National Rail Plan (Attachment C). As such I would like to send comments on behalf of the ORDC and focus on the following main points:
   - Standardization of National Environmental Protection Act policies among the modal agencies.
   - Flexibility in existing funding sources across modes so that we can make system decisions – not decisions based on which element of the project happens to be eligible for a particular funding source. There is no better example of this need then the intermodal rail projects or other Class 1 rail projects with significant public benefits for economic development, truck diversion or overall transportation capacity improvements.
   - An on-going source of funding for passenger rail. We as a country are going to have to essentially rebuild what our country has lost over the last 70 years which will require long term investment.
   - Liability reform/consistency for passenger rail projects on freight rail lines.
   - The need for the federal transportation programs to address the lack of manufacturing expertise in passenger rail manufacturing industries and programs designed to promote this growth.
   - Maintaining the priority of railroad-highway grade crossing safety programs.
   - A source of federal funding for a critical but often overlooked segment of the rail industry, the Shortline and regional railroads that have significant public benefits to local economies.
   - More guidance for quantified public benefits. As staff has learned from our own state rail plan experience, while the TIGER grant program provided a good starting point for large

infrastructure projects, a one size fits all approach will not be adequate to capture the public benefits of smaller, local or regionally significant projects.

3. Ohio Rail Plan: Commissioner Bennett and staff have been working on the state rail plan to integrate comments. In all there were over 88 specific comments and a couple of section re-writes to reflect current status as well as comments received. While state rail plan will be discussed in more detail under Committee reports at the meeting, I want to extend my appreciation to Lou, Megan, Susan, Don and Leonard for all of their hard work. Additionally, I believe our consultant, Suzann Rhodes has done an exceptional job balancing both the broader policy issues and the detail required for the inventory of existing assets.

4. Project Development: On March 29th, ORDC sent out the program solicitation for the Rail Line Rehabilitation Program for Fiscal Year 2011. We have budgeted $1,000,000 for this program in FY 2011. Applications are due to the Commission on May 24th. Staff anticipates the projects to be brought before the Commission for consideration at the July and September meetings.

5. Jobs and Carloads Follow-up: The Attorney General's office is currently pursuing repayment of one grant project, Art Iron, and staff is finalizing its recommendations regarding another project, Crane Plastics.

6. Passenger Rail: On April 19th, Controlling Board approved the authorization for $25 million for the next phase of the work needed to advance the 3C project.

7. ORDC staff provided a letter of support to the Cincinnati Port Authority for their application to the ODOT Transportation Advisory Review Committee (TRAC) for its Cincinnati Forth Main Rail Study. (Attachment D)

8. Presentations: ORDC staff provided various presentations to the following groups:
    - European- American Chamber of Commerce
    - Richland County Manufacturing Coalition
    - Moderated the rail session of the Mississippi Valley Freight Coalition
    - Participated in Toledo's National Train Day event
    - ODOT's DBE workshops in Dayton and Toledo

Attachment A

Ohio Rail Development Commission

1980 West Broad Street • Columbus, Ohio 43223
614-644-0306 (telephone) • 614-728-4520 (fax) www.dot.state.oh.us/ohiorail

April 29, 2010

Ms. Mary Ann McNamara
United States Department of Transportation
Federal Rail Administration
West Building
Mail Stop 20; Room #W38-302
1200 New Jersey Ave., SE
Washington, DC 20590

Dear Ms. McNamara:

Thank you for your support of the National Gateway Project with the TIGER award of $98 million for the North Baltimore, Ohio to Chambersburg, Pennsylvania (Segment One) of the corridor. Please accept this correspondence from the State of Ohio, as the lead applicant of TIGER application, as the financial plan required to secure the funding by May 1, 2010. This correspondence follows the guidance provided by the Federal Railroad Administration (FRA) to meet the financial plan component of the grant process.

As noted in our application, the National Gateway Corridor project proposes a balance of independent transportation projects that provide global and domestic transportation and commerce connectivity and reduces stress on highway capacity. Therefore, the optimal performance proposed by the National Gateway is best achieved through near term construction that is contingent on full funding of the entire corridor. This letter provides a description of the three major segments of the project and detailed funding breakdown of Segment One.

Description of Project Segments

The National Gateway project has three major segments:

- Segment One: This segment will run from a $175 million intermodal terminal currently under construction (financed by CSX and its affiliates with additional safety investments by the Ohio Rail Development Commission) in Wood County in Northwest Ohio to a recently completed CSX Intermodal terminal in Chambersburg, Pennsylvania.
- Segment Two: This segment will run from the intermodal terminal in Chambersburg, to a proposed intermodal terminal that CSX and the State of Maryland have agreed to jointly develop at a site along CSX's mainline between Baltimore and Washington, DC.
- Segment Three: This segment will run from the Baltimore-Washington, DC area south along CSX's mainline (parallel to Interstate 95), to the ports of Hampton Roads, Virginia and Wilmington, North Carolina.

Funding of Segment One

Segment One: Completion of the 40 clearance projects between the Northwest Ohio terminal and the Chambersburg terminal would allow for double stacked intermodal service for the large volume of traffic currently coming into ports along the West Coast, transloaded in Chicago, and ultimately destined for markets throughout the Mid-Atlantic region. In addition, this would improve the efficiency of domestic intermodal shipments between key Midwest and Mid-Atlantic markets.

The clearance projects along this segment are located in the states of Ohio, Pennsylvania, West Virginia and Maryland. The estimated cost of clearing this segment is $183 million, including the federal TIGER award for $98 million, $65 million committed from the states of Ohio and Pennsylvania and $20 million committed by CSX Corporation. Construction is expected to start on clearance projects in Ohio and Pennsylvania during the spring of 2010.

We trust that this information answers your questions, but should you need any additional information please do not hesitate to contact me at 614-644-0295.

Very Truly Yours,

Matthew R. Dietrich
Executive Director

NATIONAL GATEWAY SEGMENT ONE

TIGER GRANT AWARD FINANICAL PLAN

NW Ohio – Chambersburg, PA

($'s in millions)

Number of Projects: 40

Estimated Cost of Projects: $183

Funding	TIGER Award	State Funding	CSXT Funding	Total Cost by state	Number of Projects
OH	$30	$30	-	$60	18
PA	$35	$35	-	$70	17
WV	$33	-	-	$33	3
MD	-	-	$20	$20	2
Total	$98	$65	$20	$183	40

The State of Ohio's $30 million will be financed through two programs:

- The State of Ohio Department of Transportation awarded $20 million of American Recovery and Reinvestment Act funding toward a series of bridge replacement projects in the CSX National Gateway Corridor that will contribute to the overall corridor development goal of providing double-stack container clearances from CSX's new intermodal facility in North Baltimore, Ohio to another intermodal facility in Chambersburg, Pennsylvania. Ohio will use its best efforts to transfer any savings from those projects to other, eligible projects within Ohio that are identified as eligible for funding under the US DOT TIGER grant award.
- The Ohio Department of Development has awarded $10 million from the State of Ohio Logistics and Distribution Stimulus Program to the CSX National Gateway Project.

The Commonwealth of Pennsylvania's $35 million will be financed through the Pennsylvania Department of Transportation's Rail Transportation Assistance Program over three state fiscal years beginning FY 2009-2010. (See attached letter)

CSX Transportation has committed $20 million from the capital development program. (See attached letter)

CSX
TRANSPORTATION

April 28, 2010

Via U.S. Mail

Mr. Matthew Dietrich
Executive Director
Ohio Rail Development Commission
1980 West Broad Street
Columbus, Ohio 43223

Re: National Gateway TIGER funds

Dear Mr. Dietrich:

CSX and its affiliates are pleased to be working with the states of Ohio, Pennsylvania, West Virginia and Maryland in implementing the $98 million grant that was awarded from the Transportation Investment Generating Economic Recovery (TIGER) program to help fund Segment 1 of the National Gateway between Northwest Ohio and Chambersburg, Pennsylvania.

This award initiates federal support for an $842 million program that, once completed, would generate 4,000 jobs by the end of 2012 and more than 50,000 jobs over the next 30 years. In addition, the National Gateway would add much-needed capacity to our transportation system and improve the environment by maximizing the efficiencies of both freight rail and trucking services. We welcome the U.S. Department of Transportation's (USDOT) support for this project, and look forward to working with Ohio and our other state partners to secure the remaining funds necessary to clear the corridor from Northwest Ohio down to North Carolina.

As you know, the states of Ohio and Pennsylvania have committed a total of $65 million towards clearance projects in Segment 1, and CSX is providing over $200 million in private funding for the Northwest Ohio and Chambersburg terminals. In order for the states to draw down on the $98 million in TIGER funds, USDOT has requested a financial plan detailing the sources of funding for the $118 million in remaining funds needed to complete Segment 1 between Northwest Ohio and Chambersburg. Given the substantial public support for this project, and the need to move forward with clearing Segment 1, CSX has approved $20 million in capital funding to cover the remaining portion of clearance work between Northwest Ohio and Chambersburg, if needed, so the states can begin implementing the project as quickly as possible. A Certificate of Authority documenting this commitment is attached to this letter. However, we would request that the states utilize the flexibility USDOT has offered by transferring funds from any projects funded by the $98 million TIGER grant that may come in under budget to cover a portion of the remaining $20 million.

(16)

CSX
TRANSPORTATION

Thank you for your hard work and dedication to the National Gateway. We look forward to working with you and the others states to make this critical infrastructure initiative a reality.

Very truly yours,

Louis E. Renjel
Vice President
Strategic Infrastructure Initiatives

LER/jsk

Enclosure

CSX CORPORTATION

CERTIFICATE OF AUTHORITY

I, MICHAEL J. WARD, the President and Chief Executive Officer of CSX Corporation, a Virginia corporation ("CSX" or the "Corporation"), do hereby certify that:

1. Pursuant to the resolutions approved and adopted by the Board of Directors of CSX on December 9, 2009 (the "Resolutions"), I have been delegated, as President and Chief Executive Officer of the Corporation: (i) certain approval and signing authorities for capital expenditures, contractual obligations, the issuance of securities, and the execution and custody of deeds, leases, contracts, agreements, and other documents to which CSX may be a party, and (ii) the authority to further delegate certain of those approval and signing authorities, subject to the limitations contained in the Resolutions.

2. Pursuant to the Resolutions and in connection with the clearance projects between CSX's Northwest Ohio Intermodal Terminal and the Chambersburg Intermodal Terminal (the "Corridor"), with a total estimated cost expected to exceed total public funding by $20,000,000, I hereby authorize, approve and guarantee the commitment by CSX to the U.S. Department of Transportation to fund up to an additional $20,000,000 for the Corridor (the "Corridor Funding").

3. Pursuant to the Resolutions and in connection with the Corridor Funding, I hereby delegate to Louis E. Renjel, Vice President, Strategic Infrastructure Initiatives of CSX Transportation, Inc., a wholly-owned subsidiary of CSX, or any other Vice President of the Corporation, the authority, to do or cause to be done any and all acts and things, including, but not limited to the execution and delivery of documents and instruments on behalf of the Corporation, necessary or proper, in the discretion of such officer, to effectuate the Corridor Funding.

This Certificate of Authority shall be effective immediately and shall continue until revoked by the undersigned or his successor.

CSX CORPORATION

4/28/10
(Date)

By: Michael J. Ward
Michael J. Ward
President and Chief Executive Officer

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION
HARRISBURG, PENNSYLVANIA 17101-1900

OFFICE OF
SECRETARY OF TRANSPORTATION

April 29, 2010

The Honorable Raymond H. LaHood
Secretary
United States Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590

Dear Secretary LaHood:

As requested by the TIGER Team overseeing the CSX National Gateway project, I am acknowledging the Commonwealth of Pennsylvania's financial commitment to the project.

As you know, the U.S. Department of Transportation graciously awarded $98 million toward the first phase of the corridor focusing in the states of Ohio, West Virginia, Pennsylvania and Maryland. Of that total, $35 million in federal dollars will be matched dollar-for-dollar by the Commonwealth totaling $70 million for 17 clearance projects. The Commonwealth's $35 million will be financed through the Pennsylvania Department of Transportation's Rail Transportation Assistance Program over three state fiscal years beginning FY 2009-2010. This program is funded through the issuance of capital bond debt.

Again, Pennsylvania thanks the U.S. DOT for expressing confidence in this corridor project. Should you have any questions, please do not hesitate to contact me at (717) 787-5574.

Sincerely,

Allen D. Biehler

Allen D. Biehler, P.E.
Secretary

(19)

Attachment B

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL RAILROAD ADMINISTRATION

CONDITIONAL AND PRELIMINARY TERM SHEET ON THE TRANSPORTATION INVESTMENT GENERATING ECONOMIC RECOVERY (TIGER) GRANTS PROGRAM

This Conditional and Preliminary Term Sheet reflects the selection of the **[project sponsor]** (the "Project Sponsor") to receive a grant under the provisions of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, Supplemental Discretionary Grants for a National Surface Transportation System, hereinafter referred to as the Transportation Investment Generating Economic Recovery (TIGER) Grants Program for the **[Project Name\Description]** (the "Project").

The purpose of this Conditional and Preliminary Term Sheet is to set out the parties' mutual understanding regarding the material terms and conditions to be included in the Grant Agreement under the American Recovery and Reinvestment Act of 2009 Transportation Investments Generating Economic Recovery (TIGER) Discretionary Grants Program (TIGER Grant Agreement), which will be negotiated between the U.S. Department of Transportation, Federal Railroad Administration (Government), and the Project Sponsor. This Conditional and Preliminary Term Sheet is not a commitment of the Government to provide funding for the Project. The commitment of the Government to provide funding to the Project will only occur with the final execution and acceptance of the Tiger Grant Agreement.

The Project Sponsor, in anticipation of a grant award under the TIGER Grants Program, understands and acknowledges that it will be required to administer any and all TIGER Grant funds pursuant to the terms and conditions to be set forth in the final Tiger Grant Agreement. This Conditional and Preliminary Term Sheet memorializes the agreement on the following issues: the Project's Scope of Work; the Project's Budget, including identification of all funds necessary to complete the proposed Project; and the Project's Milestone Completion Schedule, including dates for the completion of all major milestones relating to the Project, including completion and receipt of all required National Environmental Policy Act (NEPA) approvals, application for and anticipated receipt of all necessary federal, state, and local permits and approvals, and application for and anticipated receipt of any necessary approval by a local transportation planning organization, including any required inclusion in the Transportation Improvement Program (TIP)/State Transportation Improvement Program (STIP). The agreed upon terms specific to the Project are listed under the Material Terms and Conditions section of this Conditional and Preliminary Term Sheet. The Project Sponsor understands and recognizes that the execution of this Conditional and Preliminary Term Sheet in no way commits the Government to any decision required under NEPA. The Government's decision on the Project will be issued in full compliance with its NEPA procedures, 64 Fed. Reg. 28545 (May 26, 1999), and those of the Council on Environmental Quality, 40 CFR Part 1500, and all other applicable Federal, state or local laws and regulations.

The Project Sponsor further understands and acknowledges that this Conditional and Preliminary Term Sheet is intended to assist the parties in developing and finalizing the Tiger Grant Agreement. This Conditional and Preliminary Term Sheet reflects material terms and conditions for the Project, as that Project is defined in the Project Sponsor's Application. The Application, dated _____, 2009, and titled "_____", is incorporated herein by reference. This Conditional and Preliminary Term Sheet reflects provisions on several of the Project's material terms and conditions, including the Project's scope, assurance/confirmation that all required funding has been obtained and committed, and the timeline for completion of the Project. The following information is provided and agreed to by the parties and will be incorporated into the final Tiger Grant Agreement.

MATERIAL TERMS AND CONDITIONS PRECEDENT TO EXECUTION OF TIGER GRANT AGREEMENT:

I. PROJECT SCOPE OF WORK

a. General Project Description
b. Tiger Project Scope of Work

II. PROJECT BUDGET

a. TIGER Grant Amount
b. Total Project Amount and Funding Sources

III. PROJECT MILESTONE COMPLETION SCHEDULE

a. Project Permits, Licenses and Approvals (Including NEPA Approvals, Planning Approvals, etc.)
b. Milestone/Deliverable Schedule (Grant Agreement Execution and Later Stages Assume a Build Alternative is Selected)

The Government reserves the right not to execute a TIGER Grant Agreement if the Project Milestones required to bring the project to the grant agreement approval stage (as described in the Milestone/Deliverable Schedule below) are not met or if the Government determines, in its sole discretion that executing a grant agreement is not in the public interest.

The terms and conditions outlined in this Conditional and Preliminary Term Sheet are effective upon execution by both the Project Sponsor and the Government.

Attachment D

Ohio Rail Development Commission

1980 West Broad Street • Columbus, Ohio 43223
614-644-0306 (telephone) • 614-728-4520 (fax) www.dot.state.oh.us/ohiorail

April 23, 2010

Ms. Kim Satzger
President
Port of Greater Cincinnati Development Authority
Suite 1600
1014 Vine Street
Cincinnati, Ohio 45202

Dear Ms. Satzger:

The Ohio Rail Development Commission (ORDC) fully supports the Port of Greater Cincinnati Development Authority's (Port Authority) timely efforts to seek $1 million in State funding through the Ohio Department of Transportation's TRAC process in order to develop solutions to rail freight congestion issues in the Mill Creek Corridor. ORDC will gladly help you with staff participation and whatever other technical support we can provide to fully develop the parameters of the effort and help see it through.

Through the several meetings and conversations my staff and I have had with you, we believe that the Port Authority is taking the proper approach to the Mill Creek Corridor rail freight congestion issue by actively listening to what the freight railroads have to say about how to proceed with the preliminary engineering and operations plan. ORDC agrees with your assessment that the public sector needs to work closely with CSX and Norfolk Southern to help the railroads look at a variety of possible options and to determine which solutions might be feasible to pursue.

ORDC has long heard about the challenges the Mill Creek Corridor poses for freight railroading. We believe any improvements in freight capacity that the public sector may be able to help CSX and NS implement in the Mill Creek Corridor will pay off for the State of Ohio with increased viability of our Ohio rail network and the economic vitality that effective freight transportation generates.

Sincerely,

Matthew R. Dietrich
Executive Director

C: Jolene Molitoris, Director, ODOT

ACCOMPLISHMENTS REPORT
PLANNING AND PROJECT DEVELOPMENT
March 4 to May 6, 2010

PLANNER	DEVELOPMENT
Don Damron	**Lou Jannazo**

FIELD & TRACK INSPECTION

- Field inspection of ORDC owned land on Piney Fork used by Apex for its rail yard.
-

ADMINISTRATIVE

- Helped prepare agendas and briefing packets for May 13, 2010 meeting including 2 project briefings.
- Did grant agreement amendments to extend time for select projects and to reflect changes in scopes of work and termination dates.
- Did grant agreement for Island Aseptics spur project approved in March.
- Helped with process of finalizing questions and conducting interviews for vacant Planner 3 position.
- Outlined and investigated issues for a new lease agreement between ORDC and Apex for the property on the Piney Fork used for the Apex rail yard.
- Helping to resolve tie count discrepancy on Mt. Vernon Line project.
- Kept "Spending Forecast" up to date.

TRAINING:

- Don Damron attended 2 day Terrapin HSR Conference.

FREIGHT PROJECT DEVELOPMENT AND IMPLEMENTATION

New Project Development/Continued Project Development

- Did final evaluation, recommendation, & briefing for RJ Corman Cleveland Line project.
- Investigated new spur projects in Warren, Canton, Cleveland, Orville, and Middletown with local development officials, the serving railroads, the companies themselves, and others.
- Continued working on NCI/Metal Coaters project in Middletown; ORDC provided preliminary $50,000 commitment of FY 2011 funds for project.
- Continued working with International Wood Fuels on Wellston spur; met with company.

Ohio Diesel Emissions Reduction Grant (DERG) Program/OKI CMAQ Program

- Got partial authorization of Arcelor-Mittal, Cleveland Works RR hot start project done; obtained waiver of competitive bidding for one small component.
- Got authorization for CSX to repower 4 locomotives done.
- Amended I&ORY grant agreement for auxiliary power units.
- Continued coordination with ODOT on all DERG projects.
- Helped RailAmerica put together an application to OKI for funding repower of 2 locomotives; participated in OKI meeting to obtain approval for funding.

Logistics & Distribution Program:

- Reviewed project applications or performed more investigation for MPR Supply Chain Solutions, the Port of Cleveland, and others.
- Participated in several project review meetings.

American Recovery & Reinvestment Act (ARRA) Stimulus Funding for Rail Projects

- Helped resolve questions raised by W&LE about substituting work for crossing project. (The answer is NO substituting work.)

PASSENGER PLANNING

Ohio Hub

- Helping scope out PEIS

Amtrak /3C Corridor Investigations

- Continued with a myriad of project development meetings with ORDC and ODOT .
- Continued work investigating equipment options.
- Continued coordination with ODOT on various aspects of PB work on various environmental issues.
- Continued working with Woodside on needed model runs to effectively interact with host freight railroads.
- Participating in monitoring of "209 Process" by which Amtrak is working with states on its federally mandated new system of determining accounting methods.
- Continued coordination with locals on stations in coordination with new ODOT station economic development team. Did station development presentation in Sharonville. Participated in meeting in Riverside.

Other Passenger Initiatives

- Continued coordination with the MWRRI study effort. Attended meeting in Chicago.
- Continued administering Parsons Brinckerhoff study of HSR on 3C which is partially funded by FRA.
- Kept abreast of passenger issues in across Ohio and nationally through participation in the States for Passenger Rail.

OTHER PLANNING INITIATIVES

State Rail Plan:

- Provided more detailed technical reviews and comment on final draft document.
- Investigated and provided some new trespasser safety information to include in rail plan as requested by railroads and ORA.
- Developed and presented power point on ORDC role in freight and the Rail Plan for March 19 outreach meeting in Cleveland.

Other

- Met with VP of Strategic Planning on a variety of issues concerning NS.

MISCELLANEOUS

- Continued coordination with Van Wert County Port Authority on issue of Port Authority turning over to ORDC the proceeds of salvaging an abandoned and unneeded 10 mile segment of track from Elgin to Glenmore. Proceeds coming to ORDC could be as high as $1,300,000. Salvage tentatively planned for this Spring. ORDC has rights to salvage funds because the line was purchased with FRA funds. Met with Van Wert officials looking for ORDC to invest most of salvage money in Job Ready Site project.
- Met with Putnam County officials on possibly providing loan funding for Iron Highway/Golden Triangle Job Ready Site project.

SAFETY

- Occasional help with select grade crossing safety projects.

WPDOCS/AccomplishmentsCommission

MEMORANDUM
May 5, 2010

TO: ORDC Commissioners
FROM: Megan McClory
SUBJECT: Finance Report

Accomplishments and Highlights of the Finance Section from March 5, 2010 to May 5, 2010:

1. **Financial Statements.** Staff has prepared statements to reflect current outstanding loans, revenue collection, and project balances. Those statements are included with this report.

2. **ARRA Projects.** ORDC has been working with colleagues at ODOT and the Ohio Division of the Federal Highway Administration to administer approximately $70 million of Ohio's ARRA funds for rail-related projects. All projects have been authorized by the Federal Highway Administration for funding and are in various stages of preparation/bidding/construction/completion. Since the Commission last met, construction has started on the Toledo-Lucas County Port Authority Shipyard Spur project and has been authorized on the West Broad Street Bridge Rehabilitation (Camp Chase Railroad) and the Panhandle Rail Line Rehabilitation (Ohio Central) projects.

3. **ORDC Staffing.** We have made a recommendation to ODOT Human Resources to fill the Planner 3 position from which Beverly Lee retired. We intend for the selected individual to start in that role on May 24, however we are awaiting final processing of paperwork by ODOT and the Ohio Department of Administrative Services. We have received approval for two intern positions for the summer, one in the safety section and one in the fiscal section who will be able to work on project development, research, policy, etc., based on ORDC's workload and the selected intern's interests and skills. We are currently recruiting for these positions.

4. **ORDC Grant & Loan Status.** We have disbursed the Maumee & Western Hot Start loan. The railroad used the $90,000 loan to purchase and install hot start units on three of its locomotives. The fiscal staff is in the process of getting other grants and loans under agreement and encumbered prior to the end of the fiscal year in June.

   Columbiana County Port Authority loan. At its November 2009 meeting, the Commission approved the fifth modification of a $2.1 million loan that was used to rehabilitate the Youngstown and Southern Rail Line. At that time, the Commission approved a change in the terms of the loan to re-amortize it, to structure the repayments so that payments would be accelerated if traffic increased on the line, and to forgive some of the accrued late fees if future payments were made in a timely manner. Pursuant to an earlier modification, ORDC was to enter into a loan agreement with the primary shipper on the line and its railroad, Total Waste Logistics/Eastern States Railroad, to transfer the loan from the CCPA to TWL/ESRR. Unfortunately TWL/ESRR has since had significant financial difficulties and did not make payments on the loan in February or April. ORDC received notification from CCPA that payments will be interrupted for the next few months. Staff is meeting with CCPA and TWL/ESRR later this month to further discuss the situation.

5. **Inventory.** Gloria Howard has been working hard to update ORDC's inventory records in the aftermath of our relocation to the ODOT Building last summer. She has been working with ODOT's Accounting staff to make sure we are following current requirements in adding and removing items from the inventory system.

6. **Training.** I completed the National Development Council's Economic Development Finance course in March.

Columbiana County Port Authority

1250 St. George Street, East Liverpool, Ohio 43920
(330) 386-9051 • FAX (330) 386-1122

April 28, 2010

Matthew Dietrich, Executive Director
Ohio Rail Development Commission
50 West Broad Street, Suite 1510
Columbus, Ohio 43215

Dear Matt Director Dietrich:

This letter is to inform you that we have been notified by Powell Felix of the Youngstown & Southern Railroad that pass through payments to ORDC made by Total Waste Logistics from operational funds transferred by the Y&S will be interrupted for the next few months due to diminished car loadings. The Port Authority is currently not receiving any pass through payments either, however we will continue to make payments on the bank loan. Capacity at the TWL C&D landfill in Negley will be limited until new cells are installed. The Port Authority has been informed that permits to install are in place and cell construction will take approximately ninety days. Apparently installation was delayed due to financial troubles experienced by one of TWL's parent companies that will shortly be rectified.

Yours truly,

Tracy V. Drake,
Chief Executive Officer

TVD/sls

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OHIO RAIL DEVELOPMENT COMMISSION
APPROPRIATION LEDGER
For Month Ending April 30, 2010

FUND	SAC	FEDERAL STATE/OTHER	ORIGINAL APPROPRIATION	TRANSFERS	UNASSIGNED	ADJUSTED APPROPRIATION	OPEN ENCUMBRANCES	TOTAL DISBURSED	UNENCUMBERED BALANCE	PERCENT UNOBLIGATED	SAC DEFINITION
GRF	4FA5	STATE	2,125,835.00	(20,000.00)	713,475.00	1,392,360.00	983,462.00	101,300.00	307,598.00	22.09%	GRANT (ALL)
GRF	465M	STATE	35,000.00	45,500.00	0.00	80,500.00	14,250.92	60,848.81	5,400.27	6.71%	PERSONAL SERVICE/OTHER
GRF	4651	STATE	754,000.00	(37,410.00)	43,791.69	672,798.31	0.00	554,254.86	118,543.45	17.62%	PAYROLL
GRF	4652	STATE	156,936.00	(25,500.00)	32,936.00	98,500.00	0.00	14,048.05	84,451.95	85.74%	OFFICE EXPENSE
	FUND TOTAL		**3,071,771.00**	**(37,410.00)**	**790,202.69**	**2,244,158.31**	**997,712.92**	**730,451.72**	**515,993.67**	**22.99%**	**FUND TOTAL - GRF**
7002	4FN7	FEDERAL	1,351,000.00	1,166,787.04	0.00	2,517,787.04	26,395.82	248,811.03	2,242,580.19	89.07%	GRADE CROSSING PAVEMENT
7002	4FPM	FEDERAL	12,000.00	0.00	0.00	12,000.00	0.00	0.00	12,000.00	100.00%	GRADE CROSSING PERSONAL SERVICE
7002	4FP1	FEDERAL	637,000.00	0.00	92,238.18	544,761.82	0.00	399,761.82	145,000.00	26.62%	GRADE CROSSING SAFETY'S PAYROLL
7002	4FP7	FEDERAL	11,000,000.00	5,084,693.16	0.00	16,084,693.16	5,430,881.74	649,620.93	10,004,190.49	62.20%	GRADE CROSSING DEVICES
7002	4SP1	FEDERAL	243,000.00	(920.00)	2,252.45	239,827.55	0.00	129,613.40	110,214.15	45.96%	GRADE CROSSING SAFETY'S PAYROLL
	FUND TOTAL		**13,243,000.00**	**6,250,560.20**	**94,490.63**	**19,159,242.02**	**5,457,277.56**	**1,427,807.18**	**12,513,984.83**	**65.32%**	**FUND TOTAL - 002**
4N40	6FC5	OTHER	0.00	136,855.00	0.00	136,855.00	0.00	0.00	136,855.00	100.00%	RAIL TRAN - GRANTS
4N40	6FC9	OTHER	1,914,966.00	(144,855.00)	0.00	1,770,111.00	617,457.00	0.00	1,152,654.00	65.12%	RAIL TRAN - LOANS
4N40	6FD9	STATE	762,600.00	0.00	0.00	762,600.00	0.00	0.00	762,600.00	100.00%	PANHANDLE LEASE PAYMENT
4N40	6111	STATE	196,534.00	8,000.00	7,769.18	196,764.82	0.00	161,144.29	35,620.53	18.10%	PAYROLL(PROPERTY MGNT)
	FUND TOTAL		**2,874,100.00**	**0.00**	**7,769.18**	**2,866,330.82**	**617,457.00**	**161,144.29**	**2,087,729.53**	**72.84%**	**TOTAL - OTHER ASSISTANCE**
	GRAND TOTAL		**19,188,871.00**	**6,213,150.20**	**892,462.50**	**24,269,731.15**	**7,072,447.48**	**2,319,403.19**	**15,117,708.03**	**62.29%**	

(2)

ORDC - Loan Payback (Active Loans)
May 4, 2010

	Loans	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	App, Loan, Interest & Admin. Fees	Total Payments
FY03 Portage Cty Solid Wst Mgmt. *	$80,000	$16,495	$9,622							***$3,279***	***$83,279***
*FY04 Columbiana County Port Authority **	*$2,098,047*	*$430,072*	*$433,408*	*$216,704*						***$110,059***	***$2,208,105***
FY04 Maumee & Western *	$199,088	$29,502	$29,502	$17,209						***$8,460***	***$207,548***
FY05 Seneca-Sandusky-Tiffin Port Auth*	$290,000	$61,217	$10,203							***$16,267***	***$306,267***
FY05 Ashland RW (Mansfield Yard Rehab)*	$500,000	$106,935	$8,911							***$41,285***	***$541,285***
FY05 I&O (Fulton County Processing, Ltd)*	$242,335	$52,681	$8,780							***$24,266***	***$266,601***
FY07 Marion Industrial Center *	$273,000	$68,569	$68,569	$68,569	$22,856					***$32,078***	***$305,078***
FY07 WESTCO *	$308,000	$47,013	$50,026	$50,026	$50,026	$50,026	$25,013			***$35,760***	***$343,760***
FY08 WESTCO (Sugar Creek Bridge) *	$280,417	$40,060	$41,885	$43,189	$43,189	$43,189	$43,189	$17,995		***$20,147***	***$300,565***
FY07 Village of Leipsic *	$825,000	$126,923	$131,318	$135,713	$135,713	$135,713	$135,713	$67,857		***$52,702***	***$877,702***
FY09 Lancaster Port Authority *	$145,163	$48,952	$49,743	$29,017						***$4,911***	***$150,074***
FY09 WESTCO (Springfield/WCH) *	$400,000	$52,381	$57,143	$60,079	$60,345	$60,345	$60,345	$60,345	$5,029	***$20,513***	***$420,513***
FY06 Harrison Ethanol ***	$500,000										
FY06 Wheeling & Lake Erie ***	$150,000										
FY07 Wheeling & Lake Erie ***	$378,600										
FY08 MGQ, Inc. ***	$300,000										
FY08 City of Jackson ***	$300,000										
FY10 Ashland Railway ***	$280,000										
FY10 Deltech Polymer ***	$337,457										
	$7,887,107	**$1,080,799**	**$899,110**	**$620,507**	**$312,130**	**$289,274**	**$264,261**	**$146,198**	**$5,029**	***$369,726***	***$6,010,776***

Loan Amount Received to Date: **$770,452**
Loan Balance Due: **$310,347**

*Loans Active
**Loans Paid Off
***Loans in Process

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Revenue Received FY 2010
April 2010

Name	CT #	Invoice #	Reimburse-ments 7002/GRF	Refund 4N4(53490)	Gas & Oil Leases, Royalties and Other - 4N4 (49995)	ORDC Loan Payment - 4N4 Fees (29991)	ORDC Loan Payment - 4N4 Princ. (79955)	ORDC Loan Payment - 4N4 Inter. (79956)	Running Total
Ashland Railway		Electronic					8,832.34	78.87	822,100.20
I&O (FCP)		Electronic					4,329.66	60.41	826,490.27
Lancaster Port Authority		Electronic					3,947.70	197.57	830,635.54
MIC		Electronic					4,958.88	755.24	836,349.66
Maumee & Western RR		Electronic					2,370.04	88.43	838,808.13
SST Port Authority		Electronic					5,045.02	56.38	843,909.53
Village of Leipsic		Electronic					10,576.92	0.00	854,486.45
WESTCO #1		Electronic					3,262.81	906.02	858,655.28
WESTCO #2		Electronic					3,338.30	0.00	861,993.58
WESTCO #3		Electronic					4,761.90	0.00	866,755.48
Ohio River Pipe Line (Marathon)	87	RA0073			273.19				867,028.67
Resource Energy	88				70.66				867,099.33
First Energy (2 agreements)	89	RA0071			4,676.50				871,775.83
CSX Transportation	90	RA0082			19,260.00				891,035.83
A T & T	91	RA0069			500.00				891,535.83
Genesee & Wyoming Inc.	92	RA0082			2,500.00				894,035.83
Genesee & Wyoming Inc.	92	Apex-March			8,450.00				902,485.83
		Monthly Total	0.00		35,730.35		51,423.57	2,142.92	89,296.84
		Grand Total	4,793.52	0.00	180,725.59	71,994.49	629,538.14	20,227.61	902,485.83

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OHIO RAIL DEVELOPMENT COMMISSION: May 2010 Finance Report

GRF APPROPRIATION AVAILABLE FOR PROJECTS

GRF APPROPRIATION FOR PROJECTS		**1,405,050**
LESS: BUDGET REDUCTION (net)		
LESS: PROJECTS ENCUMBERED or DISBURSED		
City of Lebanon LM&M Tourist Railroad Rehabilitation	**25,000**	
Cleveland Commercial Randall Secondary	**110,000**	
Deltech Polymers	**24,000**	
Indiana & Ohio Lancaster Industrial Track Rehab	**114,310**	
Indiana & Ohio Midland Sub Phase II	**200,000**	
Indiana Eastern Railroad Bridge Repairs	**100,000**	
Mercer Landmark	**100,000**	
Ohio Basic Minerals	**30,000**	
Ohio Central Swing Bridge Repair	**131,015**	
Ohi-Rail/Piney Fork Bridges & Crossings	**94,137**	
Operation Lifesaver	**1,300**	
Wheeling & Lake Erie Maumee River Swing Bridge	**155,000**	
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED		
Bellaire Harbor Services	**80,000**	
Island Aseptics	**72,415**	
LESS: PROPOSED GRF COMMITMENTS FOR FY 2010		
RJ Corman Cleveland Line	**167,873**	
TOTAL	*1,405,050*	*-1,405,050*
BALANCE OF GRF APPROPRIATION FOR PROJECTS		***0***

RAIL DEVELOPMENT FUND 4N40 - REVOLVING LOAN FUND	**Uses of funds**	**Spending Authority**	**Cash**
Cash Balance as of 5/6/10			5,861,050
LESS: OPEN ENCUMBRANCES	1,628,000		
LESS: PANHANDLE RESERVE FUND	762,600		
TOTAL	*2,390,600*		*-2,390,600*
FISCAL YEAR 2010 APPROPRIATION		2,111,500	
LESS: PAYROLL FROM LOAN AND LICENSE FEES (Budgeted)	196,534		
LESS: PROJECTS ENCUMBERED or DISBURSED			
Ashland Railway Mansfield to Willard Line (Loan)	**280,000**		
Deltech Polymers (Loan)	**337,457**		
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED			
New Horizons Baking Company (Loan)	**50,000**		
LESS: PROPOSED COMMITMENTS FOR FY 2010			
Columbus & Ohio River; Marne Bridge (Grant)	**300,000**		
TOTAL	*1,163,991*	*-1,163,991*	*-2,111,500*
APPROPRIATION BALANCE OF FUND 4N40 AVAILABLE FOR PROJECTS		***947,509***	
ADDITIONAL CASH BALANCE OF FUND 4N40 AVAILABLE*			***1,358,950***

**Funding projects beyond the appropriation balance would require Controlling Board approval.*

FY 2010 Project Balance Summary

Remaining GRF Appropriation for Projects	**0**
Remaining 4N40 Appropriation for Projects	**947,509**
Balance of ORDC Appropriations for Projects	**947,509**

PROJECT BRIEFING
RJ CORMAN CLEVELAND LINE REHABILITATION, PHASE II

May 4, 2010

Project Costs		Project Benefits
* ORDC Grant Approx.	$187,910	* Improves Service to Rail-Dependent Shippers
* RJ Corman Investment	$187,910	Employing 600 People
		* Helps Long Term Plan to Raise Track Speed

INTRODUCTION: The RJ Corman Railroad (RJC) requests a $187,910 grant to cover one half the costs of a track rehabilitation project on its Warwick to Dover to Uhrichsville rail line, the so called "Cleveland Line." ORDC staff recommends that ORDC provide all $187,910 requested, or all of the remaining funds in the ORDC General Revenue Fund FY 2010 grant budget, whichever is less, toward this approximately $375,820 project to install 4,500 ties, add 1,000 tons of ballast, surface & line a total of 5 miles of track, and related track work between MP 74.7 and MP 92 in Tuscarawas and Stark Counties.

BACKGROUND

RJ Corman Eastern Ohio Rail Lines: RJC acquired the 48.8 mile long rail line from Warwick (MP 108.3) to Uhrichsville (MP 59.5) from CSX in 1988. This line was formerly part of the Cleveland, Lorain, and Wheeling Railroad (CL&W) and was called the CL&W line by CSX and its predecessor railroads. That is why RJC calls the line the Cleveland line.

The Cleveland Line connects to the CSX Baltimore to Chicago mainline at a small yard in Warwick, to the Norfolk Southern Pittsburgh to Crestline secondary mainline at Massillon, to the Wheeling & Lake Erie Railway at Brewster, to the Ohio Central at Justice near Brewster, and to the Columbus & Ohio River Railroad at Uhrichsville.

The Ohio Central has trackage rights over RJC from Justice (MP MP 88.3) to Warwick (MP 108.3). The Ohio Central uses these rights daily for various trains it interchanges with CSX at Warwick. The RJC line from Midvale (MP 64) to the end of the line at Uhrichsville (MP 59.5) is out of service.

RJC operates the Cleveland Line in conjunction with its operations on its Wooster Branch. RJC trains reach the Wooster Branch via trackage rights over Norfolk Southern from Massillon to Wooster. A map of RJC's eastern Ohio lines is included as Exhibit "A".

Rail Business on the Cleveland Line: RJC serves 14 rail users on the Cleveland Line (including the Wooster branch) including the following: Advanced Drainage (plastics); Arizona Chemical (fatty acids); Clarion Warehouse (aluminum); Commonwealth Aluminum (aluminum); RJ Corman Material Sales (track materials); Dover Chemical (chlorine & other chemicals); Marlite (lumber); Miller Supply (pipe); National Lime & Stone (limestone); and Smurfit/Stone Container (paper). The Cleveland line (including the Wooster branch) generates about 3,000 cars a year. The chemical traffic makes up the vast majority of Cleveland Line (Warwick to Uhrichsville) carloadings. In 2008, the Cleveland line (not including the Wooster Branch) generated 2,667 carloads. The Cleveland line has been reasonably profitable. Average net track and fixture capital and maintenance expenditures from 2006 through 2008 exceeded average profit per mile for the Cleveland Line (including the Wooster Branch).

Past ORDC Projects on the Cleveland Line: In 2002, ORDC provided RJC with $496,056 in Federal Railroad Administration (FRA) Local Rail Freight Assistance (LRFA) grant funds to help RJC rebuild its rail bridge over Chippewa Creek in Summit County. (ORDC used "recycled" federal funds, i.e. funds recouped from the scrapping of an unneeded double track on a line that had been purchased with FRA funds many years previous.)

The Chippewa Creek Bridge is a critical structure on the Cleveland Line as it is needed for all RJC and Ohio Central traffic using the Warwick interchange with CSX. In exchange for help on the Chippewa Creek Bridge, RJC invested over $550,000 in track rehabilitation on the Cleveland Line.

In FY 2008, ORDC provided RJC $112,500 in state funds toward a $300,000 project on the Cleveland Line. This project included 1,900 ties and surfacing between MP 86 and MP 88.1 and 1,200 ties and surfacing between MP 77 and MP 78.3.

ORDC is administering an Ohio Diesel Emission Reduction Grant (DERG) Program project on the Cleveland Line. RJC received DERG grant funding of $796,200 which it matched with $530,800 in RJC funds to purchase a rebuilt locomotive powered by clean, fuel efficient "gen set" engines. The funding for this locomotive is from the Federal Highway Administration, Congestion Mitigation and Air Quality (CMAQ) program. The locomotive went into service earlier this year and must remain in service on the Cleveland Line until 2015.

Cleveland Line Track Condition: The line is generally in FRA Class I condition allowing train service at 10 MPH. Track speeds have deteriorated from 25 MPH operations. Decreased train speeds have led to increased costs of RJC operations, potentially leading to a cycle of decline (i.e. slower trains, higher costs, less revenue to invest in rehabilitating track). RJC has identified over $1.4 million in track improvements needed to bring the Cleveland Line up to Class II, 25 MPH conditions.

PROJECT DESCRIPTION: RJC applied for FY 2010 funding for the Cleveland Line in August of 2009. ORDC Staff chose not to bring the project to ORDC Commissioners because RJC had a federal "Tiger" grant application pending. ORDC supported this federal grant application. RJC did receive a Tiger grant but it only included funding for RJC short lines in states other than Ohio.

The "Phase II" ORDC – RJC Cleveland Line track improvement project includes the following components:

Phase II Cleveland Line Rehabilitation Needs

Location	Work Items	Unit Costs	Total Costs
MP 74.7 to 92	**4,500 ties**	**$71 per tie**	**$319,500**
MP 74.7 to 92	**1,000 tons ballast**	**$22 per ton**	**$22,000**
MP 74.7 to 92	**5 Miles Surfacing**	**$6,864 per mile**	**$34,320**
			$375,820

RJ Corman would do the Phase II work with its own forces and would be responsible for continued maintenance.

WHY ORDC FUNDING IS NEEDED: ORDC grant funding will help RJC do more rehabilitation work on the Cleveland Line and get it done faster.

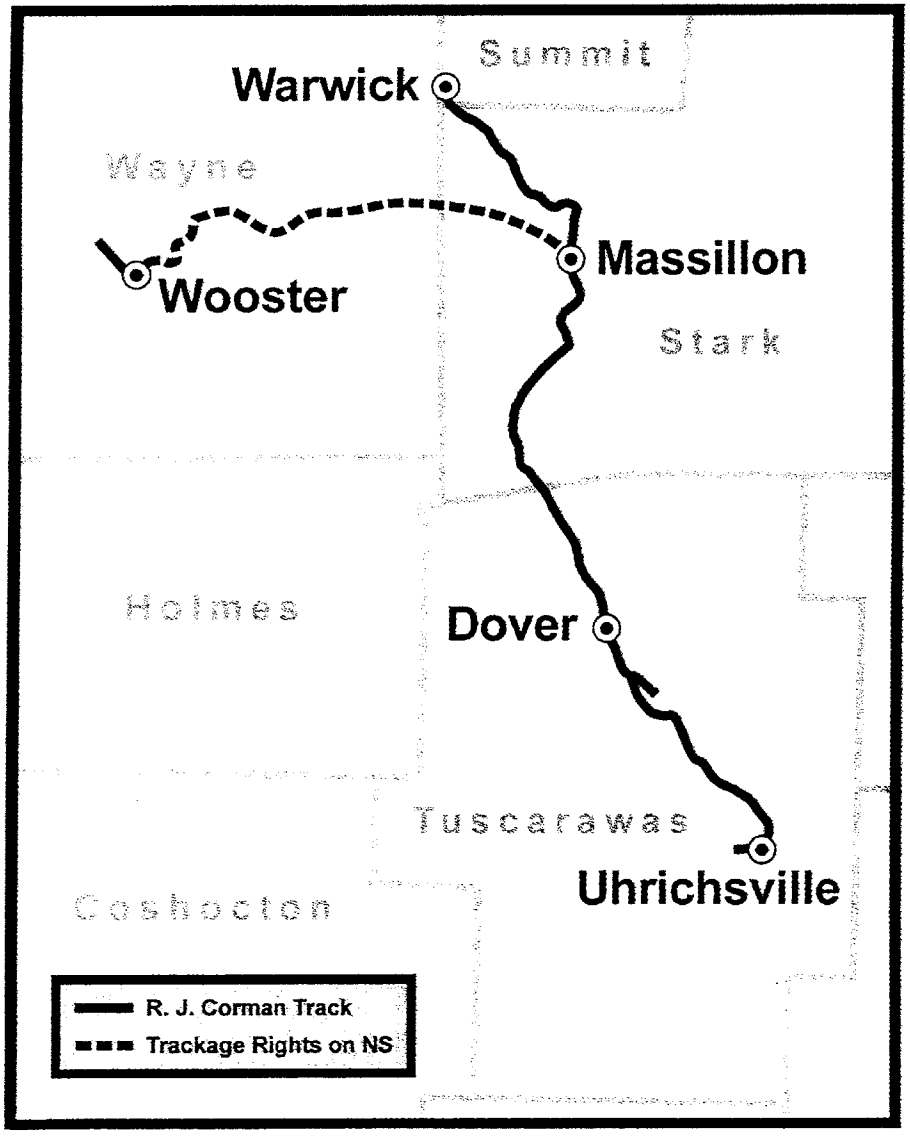
PROJECT BENEFITS

- The track to be rehabilitated primarily serves key RJC customers in Tuscarawas County who employ over 600 people.
- Phase II track work will help RJC continue the process of getting Cleveland Line track speeds back up to 25 MPH.

OTHER CONTRIBUTIONS: RJC will provide all matching funds.

SPECIAL CONTINGENCIES: Every year ORDC staff sweeps all General Revenue Fund accounts to ensure the maximum amount of GRF funding possible is spent on track rehabilitation and economic development projects. ORDC staff requests Commissioners' approval to use the RJC Phase II Cleveland Line project to help sweep accounts. Whatever is left in GRF accounts would be applied toward the Phase II project. ORDC expects that the ORDC contribution will be approximately $150,000 but it may be more or less than this $170,000 figure. ORDC will require at minimum a dollar per dollar match for ORDC grant funding.

w: RJCormanClevelandLinePhaseII,2010



R.J. Corman Railroad Company/ Cleveland Line

RESOLUTION 10-03

RE: RJ CORMAN CLEVELAND LINE REHABILITATION PHASE II PROJECT GRANT

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE PROPOSED TO BE PROVIDED TO THE WHEELING & LAKE ERIE RAILWAY UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission ("ORDC") created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the "Act") proposed to be provided; and

WHEREAS, the ORDC has under consideration the provision of assistance under the Act to RJ Corman (the "Company"); and

WHEREAS, the ORDC staff has submitted to this ORDC a Request for Assistance submitted by the Company; the determination of the Executive Director of the ORDC and the facts upon which such determination is based, that the proposed assistance will conform to the requirements of the Act and the terms of the proposed assistance; and

WHEREAS, the ORDC has reviewed such submissions and discussed them with the Executive Director and staff of the ORDC the proposed assistance; and

WHEREAS, on the basis of such review and discussions, the ORDC has determined that the provision of assistance to the Company, as set forth in the ORDC staff's submissions, is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio:

Section 1. That the ORDC determines that the assistance proposed to be provided under the Act to assist the Company with the Rail Service Project (as defined below) is appropriate.

Section 2. That the ORDC approves the proposed assistance to the Company, the nature, amount and terms of which are summarized in Exhibit "A" attached hereto.

Moved By _____

Seconded By _____

Upon roll call, the vote resulted as follows:

James G. Bradley, Chairman	____	yes	_____	no	_____	absent	____	abstained	____ recused
Thomas McOwen	____	yes	_____	no	_____	absent	____	abstained	____ recused
Jolene M. Molitoris	____	yes	_____	no	_____	absent	____	abstained	____ recused
Barbara Hammontree Bennett	____	yes	_____	no	_____	absent	____	abstained	____ recused
Robert Greenlese	____	yes	_____	no	_____	absent	____	abstained	____ recused
William Murdock for Lisa Patt-McDaniel	___	yes	_____	no	_____	absent	____	abstained	____ recused
Solomon Jackson	____	yes	_____	no	_____	absent	____	abstained	____ recused
William Lozier	____	yes	_____	no	_____	absent	____	abstained	____ recused
Larry Sowers	____	yes	_____	no	_____	absent	____	abstained	____ recused
Herk Wolfe	____	yes	_____	no	_____	absent	____	abstained	____ recused

ORDC ACTION: Motion approved _____ Other action _____
Motion denied _____ Date 5/13/2010

CERTIFICATE

I, the undersigned Chair of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

_____ 5/13/2010
James G. Bradley, Chair Date

EXHIBIT A

A grant to the Company pursuant to Section 4981.032 of the Ohio Revised Code in the amount up to One Hundred Eighty-Seven Thousand Nine Hundred Ten Dollars ($187,910) (the "ORDC Grant") to install ties, add ballast, surface and line, and perform related track work on the Company's Cleveland Line in Stark and Tuscarawas Counties ("Rail Service Project"). The terms of the ORDC Grant shall be determined by the Executive Director of ORDC.

The ORDC Grant is subject to the following condition:

The Company must meet all standard ORDC program requirements, including any applicable prevailing wage provisions, in expending the ORDC Grant.

PROJECT BRIEFING:
STAFF REQUEST FOR APPROVAL TO ADMINISTER OKI CMAQ GRANT FOR THE PURCHASE BY CIND OF TWO REPOWERED LOCOMOTIVES

May 6, 2010

Project Cost		Project Benefits
OKI CMAQ Grant	**$2,624,526**	**Reduces NOx 89%, PM, 82% & VOC 91%**
CIND Contribution	**$656,132**	**Reduces Overall Pollution 110 Tons/Year**
ORDC Contribution	**$0**	**Reduces CIND Fuel Costs 35% per Unit**
		CIND Operations Generating 3,469 Rail Cars Per Year More Cost Effective

INTRODUCTION: The Central Railroad of Indiana (CIND), a RailAmerica railroad that operates between Shelbyville, Indiana, and Cincinnati, requested that ORDC sponsor a grant application to the Ohio, Kentucky, Indiana Regional Council of Governments (OKI) for a Congesting Mitigation and Air Quality (CMAQ) grant for the repowering/rebuilding of two EPA Tier 3 compliant "gen set" locomotives. ORDC's Executive Director agreed to make the application for CIND. Subsequently OKI approved the CMAQ grant funding. ORDC Staff requests ORDC Commissioners approval to administer the OKI grant.

BACKGROUND: The OKI region is comprised of the eight counties in Ohio, Kentucky, and Indiana surrounding the Cincinnati area. Ohio counties in the OKI area are Warren, Hamilton, and Clermont. RailAmerica operations in the Cincinnati area include the CIND and the Indiana & Ohio Railway (I&ORY). A map of the I&ORY and CIND lines is included as Exhibit "A".

For federal FY 2010, OKI has $35,900,000 in CMAQ funding for OKI region projects. OKI received applications to use CMAQ money to fund projects such as the Cincinnati Streetcars, replacing busses, new Intelligent Transportation System traffic controls to reduce local traffic congestion, bike/pedestrian paths and other such projects. The ORDC/CIND application was the only rail freight related application. On April 27, 2010, the OKI Prioritization Subcommittee approved the ORDC/CIND application for funding.

ORDC is already working with RailAmerica on another project using CMAQ funds. ORDC is administering five projects on five different railroads totaling $6.6 million for the Ohio Diesel Emission Reduction Grant (DERG) Program. One of these projects is the installation of 19 Auxiliary Power Units (APUs) on I&ORY locomotives. This $804,745 project is underway and will be completed this year.

PROJECT DESCRIPTION: The CIND is comprised of the rail line from Shelbyville, Indiana to the southern end of the CSX Queensgate Yard in Cincinnati. While CIND is a separate railroad, its operations, personnel, and equipment are intermingled with the I&ORY, especially in the Cincinnati area.

The project for which ORDC/CIND applied was the repowering/rebuilding of two CIND locomotives that were built before 1973. Locomotives built before 1973 are grandfathered into EPA emissions regulations as "Uncontrolled" units. Being Uncontrolled means that these locomotives do not have to meet Tier 0 (1973 to 2001 emission levels), Tier 1 (2002 to 2004 emission levels), or Tier 2 (2005 to 2010 emission levels). The Uncontrolled units would be rebuilt to Tier 3 emission standards (2011 to 2014) or possibly Tier 4 standards (2015).

To meet these strict new standards, the one large diesel engine on the Uncontrolled units will be replaced with three "gen set" engines. Each gen set engine will provide 700 hp of power. For light work, only one gen set will operate with the other two being shut down. Having three gen sets allows the locomotive to use only the power it needs for the particular function it is performing, dramatically cutting down no fuel use and emissions. In addition to having a flexible power source, the new gen sets engines are the latest, state of the art diesel

engines with high fuel efficiency and low emissions compared to older engines of similar horsepower. These smaller engines can be safely shut down and restarted at lower temperatures than larger diesel engine because they use antifreeze where larger engines generally cannot use antifreeze due to leakage issues. Further, the gen sets offer other state of the art fuel saving and emissions features such as an auto shut off/start feature that shuts down and restarts the engines as need be.

The estimated emission reductions would be as follows:

ANNUAL EMISSION REDUCTIONS PER UNIT, TIER 3 GEN SET vrs. UNCONTROLLED UNIT

Nitrogen Oxide (NOx)	Particulate Matters (PM)	Volatile Organic Compounds (VOC)
39,852 kg	**923 kg**	**2,475 kg**
89%	**82%**	**91%**

The aggregated pollution reduction from the reductions above, added to ancillary annual reductions in hydrocarbons (HC) and Carbon Monoxide (CO), would provide reduced pollution equivalent to about 55 tons per locomotive annually for a total reduction of 110 tons a year for the two repowered units.

In addition to reducing emissions, the new gen sets will reduce fuel use per locomotive by 30 to 60%. For the purpose of the OKI application, a 35% fuel reduction was assumed. The reduced fuel cost will enable the CIND to provide more cost effective service to its customers. The CIND generated 3,469 carloads last year.

CIND will solicit competitive bids for the repowering project. Based on current pricing from one possible vendor, RJ Corman/Railpower, the two repowers would cost $3,280,658 with the OKI CMAQ share being $2,624,526 and the CIND share being $656,132. ORDC will not contribute any funding to the locomotive purchase.

ORDC's administration of the OKI project will require that ORDC perform the contracting, process payments, do project inspection, and do project monitoring for a five year period after the project is completed. OKI is slotting the ORDC/CIND for FY 2015 but would allow the project to be performed sooner if other CMAQ projects cannot be done when they are slotted. ORDC will charge an administration fee to CIND to cover ORDC administration costs.

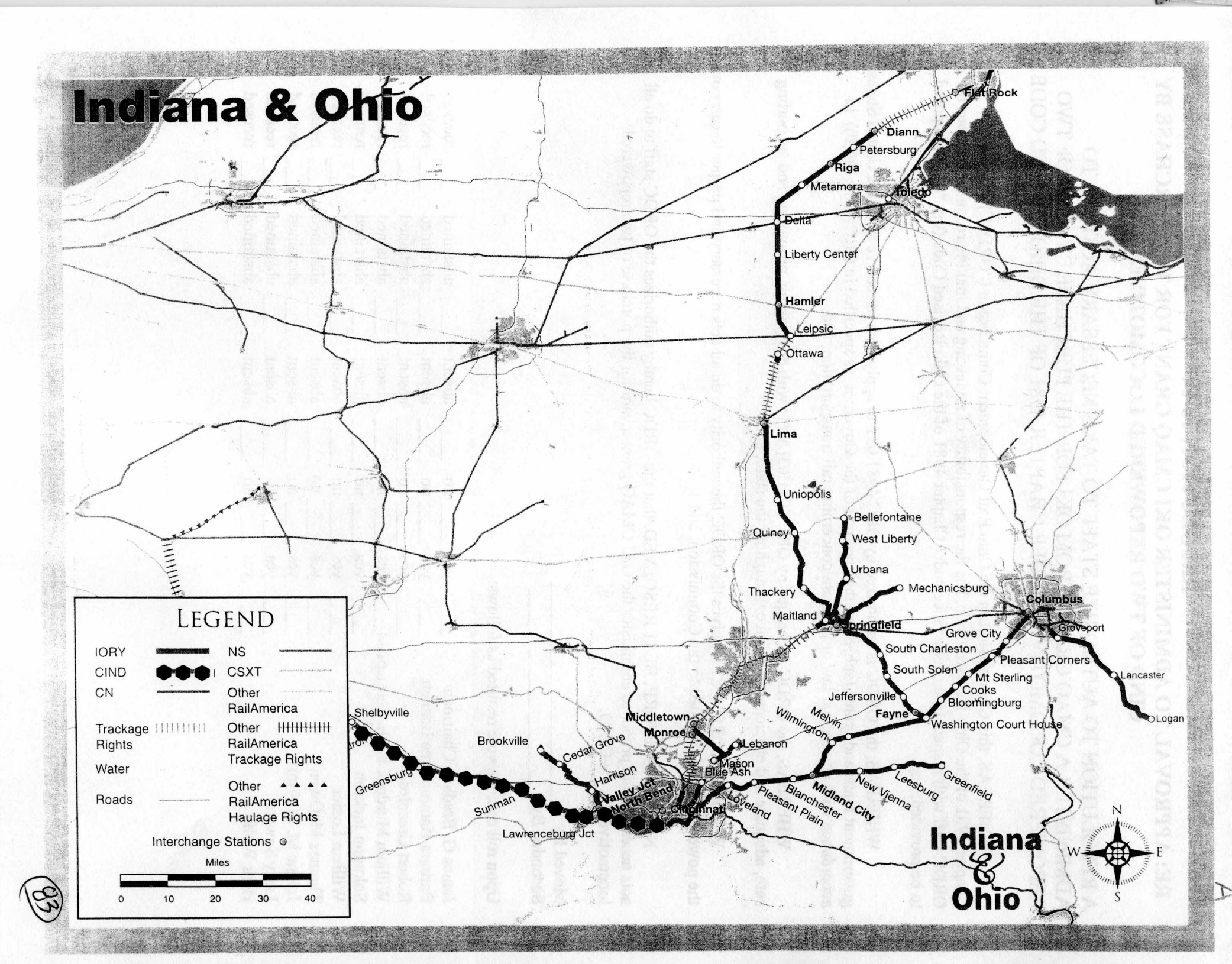
WHY ORDC FUNDING IS NEEDED: ORDC funding is NOT needed and NONE will be provided.

PROJECT BENEFITS:

- Reduces NOx 89%, PM, 82% & VOC 91% for two locomotive units.
- Reduces Overall Pollution 110 Tons/Year.
- Reduces CIND Fuel Costs 35% per Locomotive.
- CIND Operations Generating 3,469 Rail CarsPer Year More Cost Effective.

OTHER CONTRIBUTIONS: All funds will be provided by OKI and CIND.

w:OKI,CINDLocomotiveRepowerAdministration


Indiana & Ohio
Flat Rock
Diann
Petersburg
Riga
Metamora
Toledo
Delta
Liberty Center
Hamler
Leipsic
Ottawa
Lima
Uniopolis
Bellefontaine
Quincy
West Liberty
Urbana
Thackery
Mechanicsburg
Columbus
Maitland
Springfield
Groveport
Grove City
South Charleston
Pleasant Corners
South Solon
Mt Sterling
Lancaster
Cooks
Jeffersonville
Bloomingburg
Fayne
Washington Court House
Logan
Wilmington
Melvin
Shelbyville
Middletown
Monroe
Brookville
Lebanon
Cedar Grove
Mason
Blue Ash
Harrison
Greensburg
Valley Jct
North Bend
Cincinnati
Sunman
Loveland
Pleasant Plain
Blanchester
Midland City
New Vienna
Leesburg
Greenfield
Lawrenceburg Jct
LEGEND
IORY
CIND
CN
Trackage Rights
Water
Roads
NS
CSXT
Other RailAmerica
Other RailAmerica Trackage Rights
Other RailAmerica Haulage Rights
Interchange Stations
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Indiana & Ohio

RESOLUTION 10-04
RE: APPROVAL TO ADMINISTER OKI CMAQ GRANT FOR THE PURCHASE BY CIND OF TWO REPOWERED LOCOMOTIVES

A RESOLUTION TO AUTHORIZE STAFF TO TAKE NECESSARY ACTIONS TO ADMINISTER A CMAQ GRANT FROM OKI FOR THE PURCHASE BY CIND OF TWO REPOWERED LOCOMOTIVES UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission ("ORDC") created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the "Act") proposed to be provided; and

WHEREAS, the ORDC is authorized by ORC 4981.031 to apply for and receive from the United States government loans and grants (subject to the approval of the Governor, as specified in ORC 4981.14(10)) in accordance with any federal law or program concerning rail transportation; and

WHEREAS, the ORDC is charged by ORC 4981.03(A)(1) with developing, promoting and supporting safe, adequate and efficient rail service throughout the state; and

WHEREAS, ORC 4981.14 gives the ORDC the authority to do all acts necessary and proper to carry out the powers expressly granted to the Commission; and

NOW, THEREFORE, BE IT RESOLVED, that the ORDC hereby authorizes the ORDC staff to do all acts necessary and proper to administer the OKI CMAQ grant award for the purchase of two repowered locomotives by the CIND.

Moved By _____
Seconded By_____

Upon roll call, the vote resulted as follows:

James G. Bradley, Chairman	____	yes	____	no	____	absent	____	abstained	____ recused
Barbara Hammontree Bennett	____	yes	____	no	____	absent	____	abstained	____ recused
Robert Greenlese	____	yes	____	no	____	absent	____	abstained	____ recused
William Murdock for Lisa Patt-McDaniel	____	yes	____	no	____	absent	____	abstained	____ recused
Solomon Jackson	____	yes	____	no	____	absent	____	abstained	____ recused
William Lozier	____	yes	____	no	____	absent	____	abstained	____ recused
Thomas McOwen	____	yes	____	no	____	absent	____	abstained	____ recused
Jolene M. Molitoris	____	yes	____	no	____	absent	____	abstained	____ recused
Larry Sowers	____	yes	____	no	____	absent	____	abstained	____ recused
Herk Wolfe	____	yes	____	no	____	absent	____	abstained	____ recused

ORDC ACTION: Motion approved _____ Other action _____
Motion denied _____ Date 5/13/2010

CERTIFICATE

I, the undersigned Chair of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

_____ 5/13/2010
James G. Bradley, Chairman Date

PROJECT BRIEFING:
MARNE BRIDGE REPLACEMENT

May 6, 2010

Project Funding		Project Benefits
* ORDC Grant	up to $350,000	*Eliminates Unsafe Bridge Conditions
*C&OR & County In-Kind Services (to be quantified)		*Maintains Access per Property Deed

INTRODUCTION: ORDC staff recommends a grant to the Licking County Engineer of up to $350,000 for the replacement of a bridge along the state-controlled Panhandle Rail Line. ORDC would grant up to $350,000, or 100% of the project costs, whichever is less.

BACKGROUND

Brief History of C&OR/Panhandle Rail Line: The C&OR has served as operator of the state-controlled Panhandle Rail Line since the state acquired the line in a complex financing transaction in 1992. The ORDC and the C&OR have entered into a series of 5-year agreements, and the current agreement extends through June 30, 2012. As the operator of the line, the C&OR is responsible for maintaining the property in good order, repair, and safe condition. The C&OR has committed to certain minimum amounts of repair and maintenance work each year depending on the traffic levels, and has routinely exceeded those amounts. The agreement also contemplates the repair of overhead highway bridges, and includes a role for the ORDC to provide 90% or more of the funding needed to maintain such structures so that the C&OR's maintenance and capital projects will not be unduly affected.

Long-Standing Issues with Bridge 153.67: The bridge at MP 153.67 is approximately 161 feet in length and 12 feet wide. The bridge is constructed of steel girders and steel piers with wood floor beams, floor decking, and side rails. There are two homes north of the bridge who share use of the bridge for access. One of the properties is, notwithstanding the bridge, inaccessible from public roadways. The owner of the otherwise landlocked property contacted the ODOT Division of Rail in 1992, and again through his attorney in 1996, and it is unclear from ORDC's records that any action was taken to remediate the bridge's condition. ORDC was further contacted in late 2007 regarding the condition of the bridge. ORDC's legal counsel has reviewed the documents on file at ORDC, along with correspondence since 1992 from the homeowner, and determined that the bridge appears to not be the responsibility of the adjoining property owners, but of the "railroad." While ORDC's counsel notes that it is possible that documentation exists absolving ORDC/C&OR of responsibility, none appears to be on file. Based on this information, ORDC staff agrees that the bridge is likely the responsibility of the ORDC and the C&OR.

In late 2007, ORDC staff requested that ODOT to evaluate the bridge. ODOT determined that new floor timbers would improve the bridge's structural rating, however not to a degree that emergency response vehicles would be able/willing to cross. ORDC staff explored the possibility of an access lane to the otherwise landlocked property from a public road approximately 2,000' to the west, however the adjoining property owner was not interested in that as a permanent option. The adjoining property owner did, however, agree to a temporary driveway until such point as ORDC and the railroad could resolve the long-term future of the bridge. That agreement between the railroad and the property owner was first executed in September 2008 and has been renewed through September 2010.

In November 2009, the Chairman and Executive Director of the ORDC approved a grant of $136,855 to the Columbus & Ohio River Railroad to remove the bridge and construct an at-grade crossing. After further review of the location, ORDC staff and the Licking County Engineer's Office determined that there was not sufficient public or railroad right-of-way at that location to safely remove the bridge and enough earth/trees/brush to provide the necessary sight clearances for motorists using the crossing. The time and cost associated with land acquisition would have been significant and the at-grade crossing would add a safety hazard for motorists, the railroad, and users of the bike path that is on railroad right-of-way in that area. As a result of these concerns, staff worked with the Licking County Engineer's Office and the adjoining property owners to consider the available options to replace the bridge. The Engineer's Office has obtained a preliminary estimate for the work and will let a bid for the project once funding is approved and project details are finalized. ORDC Staff will continue to work with the Engineer's Office, the railroad, and the adjoining property owner to explore less-costly options.

PROJECT DESCRIPTION: The bridge at MP 153.67 will be replaced.

WHY ORDC FUNDING IS NEEDED: ORDC funding will eliminate concerns about the safety of motorists crossing the bridge. As the owners of the rail line, ORDC has determined that the bridge's condition needs to be addressed immediately and that this project is outside the scope of ordinary maintenance for which the C&OR, as the rail operator, is responsible.

PROJECT BENEFITS: Maintained access to two homes. No impact to C&OR's maintenance budget for the Panhandle Line.

OTHER CONTRIBUTIONS: The Licking County Engineer's Office will manage the project.

RESOLUTION 10-05

RE: MARNE BRIDGE (BRIDGE 153.67) REPLACEMENT PROJECT GRANT

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE PROPOSED TO BE PROVIDED TO THE LICKING COUNTY ENGINEER UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission ("ORDC") created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the "Act") proposed to be provided; and

WHEREAS, the ORDC has under consideration the provision of assistance under the Act to the Licking County Engineer (the "Engineer"); and

WHEREAS, the ORDC staff has submitted to this ORDC a Request for Assistance, the determination of the Executive Director of the ORDC and the facts upon which such determination is based, that the proposed assistance will conform to the requirements of the Act and the terms of the proposed assistance; and

WHEREAS, the ORDC has reviewed such submissions and discussed them with the Executive Director and staff of the ORDC the proposed assistance; and

WHEREAS, on the basis of such review and discussions, the ORDC has determined that the provision of assistance to the Engineer, as set forth in the ORDC staff's submissions, is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio:

Section 1. That the ORDC determines that the assistance proposed to be provided under the Act to assist the Engineer with the Rail Service Project (as defined below) is appropriate.

Section 2. That the ORDC approves the proposed assistance to the Engineer, the nature, amount and terms of which are summarized in Exhibit "A" attached hereto.

Moved By _____

Seconded By _____

Upon roll call, the vote resulted as follows:

James G. Bradley, Chairman	____	yes	_____	no	_____	absent	____	abstained	____ recused
Thomas McOwen	____	yes	_____	no	_____	absent	____	abstained	____ recused
Jolene M. Molitoris	____	yes	_____	no	_____	absent	____	abstained	____ recused
Barbara Hammontree Bennett	____	yes	_____	no	_____	absent	____	abstained	____ recused
Robert Greenlese	____	yes	_____	no	_____	absent	____	abstained	____ recused
William Murdock for Lisa Patt-McDaniel	___	yes	_____	no	_____	absent	____	abstained	____ recused
Solomon Jackson	____	yes	_____	no	_____	absent	____	abstained	____ recused
William Lozier	____	yes	_____	no	_____	absent	____	abstained	____ recused
Larry Sowers	____	yes	_____	no	_____	absent	____	abstained	____ recused
Herk Wolfe	____	yes	_____	no	_____	absent	____	abstained	____ recused

ORDC ACTION: Motion approved _____ Other action _____
Motion denied _____ Date 5/13/2010

CERTIFICATE

I, the undersigned Chair of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

_____ 5/13/2010
James G. Bradley, Chair Date

EXHIBIT A

A grant to the Engineer pursuant to Section 4981.032 of the Ohio Revised Code in the amount up to Three Hundred Fifty Thousand Dollars ($350,000) (the "ORDC Grant") to replace Bridge 153.67 over the Panhandle Rail Line and conduct related work in Licking County ("Rail Service Project"). The terms of the ORDC Grant shall be determined by the Executive Director of ORDC.

The ORDC Grant is subject to the following condition:

The Engineer must meet all standard ORDC program requirements, including any applicable prevailing wage provisions, in expending the ORDC Grant.

APPROVED PROJECT BRIEFING:
MIDWEST REGIONAL RAIL INITIATIVE, PHASE VII

May 6, 2010

Project Costs		Project Benefits
ORDC Grant	$33,000	Continues planning activities related to the Midwest Regional Rail System

INTRODUCTION: The Midwest Regional Rail Initiative requested that ORDC provide $33,000, to support Phase VII planning and project development activities.

BACKGROUND: The MWRRI is a 3,000-mile system of improved intercity passenger rail planned to serve nine states with a combined population of 60 million people. Using Chicago as its hub, MWRRI would provide improved reliability for rail passengers with speeds of 110 mph. Reduced travel times, increased safety though improved signaling and infrastructure, higher frequency of service, and more comfort through modern amenities will serve to provide a much needed travel alternative in an interdependent and critically important economic region.

The MWRRI consists of a coalition of states including Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin, and Amtrak, with Wisconsin serving as the lead agency and fiscal officer. The states entered into an agreement in 2002 and a renewal of that Memorandum of Agreement is currently being reviewed and ORDC expects the participating entities to approve it for a ten-year term. ORDC participated in earlier phases of MWRRI work, providing a total of $31,250 over fiscal years 2005-2007.

MWRRI PHASE VII: Since 1996 the MWRRI has produced a series or studies investigating the feasibility of a regional, high-speed passenger rail system in the Midwest. The most recent update of the Midwest Regional Rail System Plan was completed in September 2004. Since that time the MWRRI Steering Committee has completed a "peer review" of the 2004 plan, a regional economic impact study, a "purpose and need statement," work scopes for required environmental studies, and public information materials.

Phase VII will include further planning, engineering and environmental work as the MWRRI states pursue implementation funding and conduct various activities to implement the plan. The planning services covered by this phase are intended to continue the MWRRI on the path to implementation, building upon several phases of previous efforts by the MWRRI conducted since 1996, by updating and refining key MWRRI plan elements and public information materials and completing corridor alternatives analysis work called for in the FRA Rail Corridor Transportation Plan Guidance Manual. These services will also provide basic information for the participating states as they prepare to meet the requirements of the federal NEPA process.

Ohio Rail Development Commission

1980 West Broad Street • Columbus, Ohio 43223
614-644-0306 (telephone) • 614-728-4520 (fax) www.dot.state.oh.us/ohiorail

May 13, 2010

Pursuant to Ohio Rail Development Commission Resolution 99-15 "Spending and Signatory Guidelines," the undersigned hereby approves of the project described in the Approved Project Briefing entitled **MIDWEST REGIONAL RAIL INITIATIVE, PHASE VII** and dated May 6, 2010, as described in that briefing.

Matthew R. Dietrich
Executive Director

James G. Bradley
Chairman